

GRANT APPLICATION FORM 2009-2010

Legacy Land Conservation Program Department of Land and Natural Resources (Revised July 2009)

Please download Grant Application Instructions, available at http://hawaii.gov/dlnr/dofaw/llcp, prior to completing this Grant Application Form.

Signed forms and Required Preliminary Documentation must be sent by email in Portable Document Format (PDF) to molly.e.schmidt@hawaii.gov by September 16, 2009, 4:30 p.m., Hawaii-Aleutian Standard Time (HST).

The Grant Application Form and Required Preliminary Documentation must be postmarked or hand-delivered by September 16, 2009, 4:30 p.m. HST to:

Legacy Land Conservation Program
Hawaii Department of Land and Natural Resources
1151 Punchbowl Street, Room 325
Honolulu, HI 96813

Please see the Grant Application Instructions for details, available at: http://hawaii.gov/dlnr/dofaw/llcp.

ATTENTION: Due to the fiscal situation it is uncertain if any awards will be issued in upcoming year, however, the Department of Land and Natural Resources feels it is worthwhile to proceed with a request for applications as that situation is evolving. This request for applications may be cancelled and any or all proposals rejected in whole or in part, without liability, when it is determined to be in the best interest of the State. Final awards are subject to the availability of funds and are also subject to budget restrictions and procedures implemented under the Fiscal Year 2010-2011 Executive Biennium Budget Instructions.

Project Title: Wao Kele O Puna II

Applicant: Office of Hawaiian Affairs (assisted by The Trust for Public Land)

Project Location (Island and District): Wao Kele O Puna, Puna District, Hawai'i Island

APPLICATION PACKAGE CHECKLIST (check the boxes if the following items are attached and provide an explanation if they are not): Letter from current landowner acknowledging project and indicating willingness to sell X A preliminary title report A general location map and a parcel map × At least one (1), but no more than three (3) photos of the property X Any concise and relevant appended/supplementary materials (optional) FOR NONPROFIT LAND CONSERVATION ORGANIZATIONS Copy of mission statement and IRS 501 (c) (3) or (c) (1) non-profit status determination letter WHERE INTENDED HOLDER OF PROPERTY IS OTHER THAN APPLICANT: the intended holder must sign this form as a co-applicant and provide any forms required of applicants AND provide a letter indicating willingness to participate **CERTIFICATION:** I/We hereby certify that the statements and information contained in this Legacy Land Conservation Program Grant Application, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, this application may be rejected. Administrator Clyde W. Namuo Name* (please type) 9/16/09 Co-applicant (if applicable): Title Name* (please type) Date Signature* (sign after printing) * Must be authorized to sign on behalf of agency or organization.

SECTION A. APPLICANT INFORMATION

Agency / Organization Name	The Office of Hawaiian Affairs
Mailing Address (PO Box or Street, City, State, Zip)	711 Kapi'olani Boulevard, Honolulu HI 96813
Contact Person and Title	Dr. Jonathan Likeke Scheuer, Director, Land Management Hale
Phone Numbers (best contact, work, cellular)	594-1946 (office); 271-1129 (cell)
Email Address	jonathans@oha.org
Agency / Organization Website (include URL to any specific pages regarding this project)	www.oha.org

SECTION B. TYPE OF ACQUISITION

1. We are requesting funding for the acquisition of:

Fee simple interest in private land	×
Permanent conservation or agricultural easement	

2. We intend for the property interest to be held by:

State of Hawaii	
County of:	
Other (indicate entity)*: Office of Hawaiian Affairs	×

^{*} If the intended holder of the interest is an entity other than the applicant, please attach a letter from this entity acknowledging its participation in the project.

SECTION C. DESCRIPTION OF LAND (SUMMARY)

Ahupua'a of Waiakahiula and Ka`ohe, district of Puna, island	d of Hawai`i.
Tax Map Key(s) (use the following format: "(4) 5	i-6-007:008)"):
(3) 1-2-010-001	
. Size of property (indicate acreage or square foo	rtage):
1,930 acres	
 What types of easement(s) are located on the p for beach access, utility, etc.): 	property? (for example: vehicular, pedestriar
Road access to OHA owned Wao Kele O Puna parcel; acces practices.	to Native Hawaiians for traditional and customary
 Does the seller have full undivided fee ownersh explain. Attach a preliminary title report (see in 	
Yes. PTR has been ordered, but delivery has been delayed	and will be provided at a later date.
6. Will the public have access to property or ease	ment? 🗵 Yes 🗌 No
 Please provide the following land use information 	on:
State Land Use Designation	Agriculture
County Zoning	Ag-20a
County General /Community Plan Designation	Agricultural District/Orchard
Flood Zone Designation	Minimal tsunami inundation
3. Is property located in a Special Management A	rea? ☐ Yes ☒ No
Legacy Land Conservation Program 2009 Grant Applicat	ion Page 4 of 13

Chain link fence and gate used to access Wao Kele O Pur next to gate built during the geothermal protests.	na parcel owned by OHA (an encroachment); stone 'ahu
What kinds of land uses/activities are underwayes/activities underway on the subject property.	vay on the property? Please describe land erty and on bordering properties.

11. What types of surveys or documented analyses, if any, have been conducted regarding the property (e.g. environmental assessments, cultural assessments, environmental impact statements, biological field surveys, archeological surveys, Special Management Area permit applications)?

Environmental Survey for road into the forest for geothermal development) (Ecotrophics, 1981); Archaeology in the Kilauea Rift Zone (ORNL, 1994)

SECTION D. PRESERVATION PURPOSES

1. We propose that the property be acquired for the following preservation purpose(s) (check all that apply, and then provide more information regarding the preservation purposes in numbers 2 through 10 below for *checked areas only*):

Watershed protection	X	Parks	
Coastal areas, beaches and ocean access		Natural areas	X
Habitat protection	×	Agricultural production	
Cultural and historical sites	X	Open spaces and scenic resources	X
Recreational and public hunting areas	X		

2. Watershed Protection: Please describe the watershed function of this property: (elevation gradient, type/condition of vegetation, presence of perennial or ephemeral streams or drainage channels, other water bodies, etc.).

Wao Kele o Puna parcel and this adjacent property cover over 20% of Pahoa's watershed and protect water quality for residential/agricultural areas of Puna with native forest filtration. The Pahoa acquifer is the single largest water producer on Hawai'i island with a current sustainable yield of 435

million gallons of water per day. (character limit 1,200)	
(originates mine 1)=00)	
 Coastal areas, beaches and ocean access: Please describe the environmental significance of this property (e.g. length of shoreline, intertidal areas, type/amount of beach, coastal strand vegetation, extent of erosion, etc.). Please describe the type and extent of ocean access. 	<u>k</u>
(character limit 1,200)	
4. Habitat Protection: Please describe the types of habitat present within the property, including the types of wildlife species that use the area and the elevation range of the property. Describe the condition of habitat, including the presence of both threatened & endangered and invasive species. Describe the size/diversity of wildlife populations. Note if the habitat if formally designated (e.g. critical habitat, wildlife refuge, etc.). Note also the condition and extent of wildlife habitat on adjacent lands.	
Wao Kele o Puna and this contiguous property is the last large, intact lowland wet forest of its size and provide habitat for over 200 endemic and native species, including several that are threatened and endangered. The area contains the oldest substrate and therefore the most diverse rainforest in Kilauea a complex mosaic of different-aged forests, ranging from just a few years of regeneration to established forests over 800 years old. The area provides critical seed bank for native forest regeneration of barren lava flows. "The biological future Hawai'i Volcanoes National Park is tied directly to the conservation of native forest at Woa Kele o Puna." Cindy Orlando, NVNP Superintendent.	of
(character limit 1,200)	

(character limit 1,200)
8. Natural Area: Please describe the natural resources on the property (e.g. streams, estuaries, anchialine ponds, dunes, caves, forest, etc.). Is the property within or adjacent to a formally designated natural area (e.g., Natural Area Reserve, Refuge, Sanctuary, etc.)?
The property is adjacent to the OHA's over 25,000 acres at Wao Kele o Puna forest, and provides a key road access to the forest for management and cultural access. Although OHA had originally hoped to acquire this parcel as part of Wao Kele o Puna transaction, it was not able to do so at the time the Campbell Estate had listed it for sale. This last piece of the rainforest would complete the Wao Kele o Puna acquisition, and protect the forest from encroaching development at neighboring Ka'ohe and Kamaili Homesteads. A cinder cone on the property would also be protected from cinder mining that is occurring on adjacent property.
(character limit 1,200)
 Agricultural Production: Please describe the types and extent of agricultural activities underway on the property or adjacent to the property. Note if there is a record of past agricultural activities.
(character limit 1,200)
10. Open spaces or scenic resources: Please describe the open space values of the property. Is the property readily visible from surrounding and/or distant areas? Describe the view plane from the property. Does the property itself have unusual or exceptional value as a site from which to view and appreciate scenic vistas?
The property borders agricultural subdivisions at Ka'ohe and Kamaili Homesteads The property would be an important open space and scenic resource for those communities.

(character limit 1,200)	
SECTION E. ENVIRONMENTAL HAZARDS	
1. If there are suspected or potential hazards associated on or related to thi check all the following that apply and describe each:	s property, please
There are no known hazards.	×
The property is a designated brownfield (former industrial use).	
There has been illegal dumping /hazardous materials.	
The property is prone to flooding or is a natural drainage basin.	
The property is prone to falling rocks or mudslides.	
The features of the property's surface are potentially hazardous (i.e. uneven, rocky, or fallow terrain, overgrowth of flora, etc.).	
Other suspected or potential hazards:	
SECTION F. FUNDING REQUEST	
What is the fair market value of the fee simple property?	
\$ 2,600,000	
	^
2. What is the fair market value of the conservation / agricultural easement	ſ
\$ _{N/A}	

3. How were the estimated values determined?

	Fee Simple	Easement
Appraisal Report (indicate date & author of report)	Medusky & Co., (Feb. 2009 draft)	
Current County Tax Assessed Value	\$772,000	
Other (please specify)		

Other (please specify)			
4. Is the property or € past two years? ☐ Yes. Aski	easement currently listed fo	or sale or has it been li	sted for sale within the
⊠ No.	L		
from date of award	a estimated timeline for acq d agreement): servation Program Application	uisition (note that fund	ing will expire two years
10/09: Letter of Intent	oroval of acquisition in concept Agreement e of LLCF		
(character limit 500)			

6. What is the total estimated cost for acquisition? Please use the table below:

Estimated Acquisition Cost Worksheet						
	E-Gtd Ot	% of Costs to be Paid by:				
Expense Item	Estimated Cost	Land Owner	Applicant	Other (specify)		
Appraisal report	\$15,000	50	50			
Title report	\$300		100			
Property survey						
Subdivision						
Environmental investigation	\$5,000		100			
Other:						
Other:						
Other:						
Other:						
Subtotal	\$ 20,300					
Estimated Value of Property	\$ 2,600,000					
TOTAL ANTICIPATED COST OF ACQUISITION	\$ 2,620,300	%	%	%		

7. What are the anticipated matching funds? Please use table below:

Estimated Matching Funds Worksheet						
Туре	\$ Amount	Source of Funds or Basis of Valuation		Status* (Secured/Pending)		
Private funds	\$20,300	Landowner/OHA		Secured		
Public/other funds	1,300,000	ОНА		Pending		
Public/other funds						
Public/other funds						
Public/other funds						
Land value donation (can include bargain sale reduction in price from fair market value in this category)						
In-kind contributions						
TOTAL MATCHING FUNDS	\$ _{1,320,300}	(50)%				
AMOUNT BEING REQUESTED FROM THE LEGACY LAND PROGRAM	\$ 1,300,00	(50)%				
TOTAL ANTICIPATED COST OF ACQUISITION	\$ 2,620,300	(100)%				

^{*} Please describe the current status of any pending funds and indicate the date that any pending funds will become available if they are awarded:

11/0	rent projected timeline: 19: OHA Trustee approval of acquisition in concept 1: OHA Trustee approval of funds	
		(character limit 500

SECTION G. PROJECT DESCRIPTION

Please attach answers to the questions below on a separate sheet and attach it to the application form. Make sure to number your answers so they correlate with the numbered questions below. Please limit the length of your answers to Questions 1 and 2 to <u>one</u> single-spaced page, Times New Roman 12-point font, 1 inch margins.

- 1. Briefly describe the overall significance and importance of the property and/or easement.
- 2. Identify any conditions that threaten the significance and importance of the subject site. This may include anticipated uses of neighboring lands, environmental conditions (e.g. sedimentation, runoff, invasive species, conflicting activities, etc.).

SECTION H. STEWARDSHIP AND MANAGEMENT

Please attach an answer to the question below on a separate sheet and attach it to the application form. Please limit your answer to Question 3 to two single-spaced pages, Times New Roman 12-point font, 1 inch margins.

3. Briefly describe the proposed use of the acquired property or easement including any short and long term goals, resource management plan, sources of start up funding, operation and maintenance funding. Disclose any intended commercial uses. Will any intended activities on the land require permits? What entity (if not the applicant) will manage the property/ easement? Please describe the expertise and experience of the managing entity. How will any cultural resources that are present integrate into the overall preservation/protection and use of the property?

SECTION I. CULTURAL AND HISTORICAL SIGNIFICANCE

Please attach an answer to the question below on a separate sheet and attach it to the application form. Please limit the length of your answer to Question 4 to two single-spaced page, Times New Roman 12-point font, 1 inch margins.

- 4. Briefly describe the cultural significance and historic uses of the property. As guidance, please consider the following information:
 - a. Name of area; translation and possible interpretation;
 - b. Known pre-contact history and land uses; and
 - c. Neighboring areas/ahupua`a information and its relationship to the site being considered.

The following resources are available to assist in research: Office of Hawaiian Affairs (OHA), State of Hawaii Historic Preservation Division (SHPD), University of Hawaii Center for Hawaiian Studies, Kamehameha Schools/Bishop Estate, Bishop Museum.

SECTION G. PROJECT DESCRIPTION

1. Briefly describe the overall significance and importance of the property. OHA's acquisition of this parcel would complete the protection of Wao Kele o Puna (WKOP), provide a key road access to the forest for management and cultural access, and buffer the forest from residential development at Ka'ohe and Kamaili Homesteads and cinder mining operations occurring at the border of the property. WKOP has been the focus of immense controversy for over 20 years. Numerous Native Hawaiian and environmental groups opposed geothermal mining and the blocking of community access to the land. WKOP and this parcel are composed of dense native forest and comprise one of the last large intact lowland native forests in the State of Hawai'i.

Key road access for management and cultural practices would be secured by this purchase. Although OHA had originally considered acquiring this parcel and the over 25,000 acre WKOP parcel at the same time from Campbell Estate, it was unable to do so when the properties were listed it for sale. OHA acquired WKOP in 2006, and has since discovered that its entry gate and a stone 'ahu erected during the geothermal protests are actually located off-site and on this privately owned parcel. A key gravel road used for management and cultural access also runs directly through this property from the highway/homestead area to WKOP. While the landowner has cooperated with OHA in allowing the gate to remain on the land and with regard to access, acquisition of this parcel would secure the road access, and obviate OHA's need to remove encroachments from this parcel.

The parcel would also serve as an important buffer from residential development and industrial uses. The land is directly adjacent to Ka'ohe Homesteads to the north and Kamaili Homesteads to the east, and to a cinder mining operation that has repeatedly asked the current landowner for rights to mine cinder cones on the property. The attached maps show that the surrounding area is under significant subdivision and development pressure.

Identify any conditions that threaten the significance and importance of the 2. subject site. This may include anticipated uses of neighboring lands, environmental conditions (e.g., sedimentation, runoff, invasive species, conflicting activities, etc.). Puna is the fastest growing district in the County. Its population increased by 50.8% between 1990 to 2000. Imagery analysis of east Hawai'i between 1976 and 1993 shows that 'Ohia/Lama forest decreased by 36% while urban areas increased by more than 500%. The once rural and forested area has been, and is likely in the future to be, subdivided for large lot residences. The property is surrounded by existing subdivisions at Ka'ohe and Kamaili Homesteads. The property's close proximity to the Pahoa-Kalapana Road makes it a very desirable and convenient target for development. In addition, the landowner, who is not realizing any income from the property, has received repeated requests from a neighboring cinder mining operation to mine the cinder cones on the property. These cinder cones provide unique habitat for native species, and are cultural resources (some cinder cones are places of burials; others relate to specific personages, history, or stories).

SECTION H. STEWARDSHIP AND MANAGEMENT

3. Briefly describe the proposed use of the acquired property including any short and long term goals, resource management plan, sources of start up funding, operation and maintenance funding. Disclose any intended commercial uses. Will any intended activities on the land require permits? What entity (if not the applicant) will manage the property? Please describe the expertise and experience of the managing entity. How will any cultural resources that are present integrate into the overall preservation/protection and use of the property?

OHA intends to use this property for the same purposes as the 25,836 acres it currently owns and intends to develop a land management approach which balances conserving natural resources with the adaptation and renewal of Native Hawaiian traditional access and cultural practices. The geothermal well on the larger property is currently being plugged and the entire property was officially designated as a Forest Reserve in 2007.

OHA is in the 3rd year of its 10 year Memorandum of Agreement with the State of Hawai'i Department of Land and Natural Resources to collaboratively manage and maintain the property that it already owns at Wao Kele o Puna. This agreement includes an OHA contribution of \$228,000.00 a year until June 2016 for management and planning activities. The collaboration is intended to develop OHA's capacity, experience and expertise in land management and includes the development of a comprehensive management plan. If successfully acquired, OHA would manage these lands in a similar fashion and will likely integrate them into the developing plan and assess any additional funding commitments. OHA is in the process of acquiring on island staff and equipment to work with DLNR to engage in ongoing short term management activities such as invasive species removal (Miconia) currently being conducted by the Big island Invasive Species Committee. In the long term, as part of the development of a comprehensive management plan OHA's staff will be conducting outreach and working with its beneficiaries to determine appropriate cultural use and access.

OHA does not have any commercial intentions for this property at this time.

SECTION I. CULTURAL AND HISTORICAL SIGNIFICANCE

4. Briefly describe the cultural significance and historic uses of the property. As guidance, please consider the following information: (a) name of area; translation and possible interpretation; (b) known pre-contact history and land uses; and (c) neighboring areas/ahupua'a information and its relationship to the site being considered.

"It is rare to find an archeological record providing such clear insight into past cultural uses as WKOP. The cave systems and the sites they hold are eligible for listing in the National Register of Historic Places." H. McEldowny, former HI State Historic Preservation Officer. Archaeological investigation in the vast lava cave system underneath the forest hasrevealed extensive prehistoric cultural use. The vast network contains hundreds of Native Hawaiian burial sites, unique structural features, midden deposits, and other sites. For centuries, WKOP has been continuously used by Native Hawaiians who rely on the rainforest for hunting, gathering, and religious practice. Papa Auwae, a famed kahuna and kumu of la'au lapa'au (traditional medicine) said that WKOP area housed some of the strongest medicines and la'au in the archipeligo. Respect for the volcano deity Pele is widespread and offerings are frequently left at an 'ahu or alter on the property (erected during the geothermal dispute).

The struggle for this rainforest brought together Native cultural rights and environmental issues dramatically, giving WKOP national importance. WKOP and this parcel were the site of the largest single act of peaceful civil disobedience to protect a rainforest in the United States. A stone 'ahu (altar) constructed during the geothermal dispute, rests near the gate to WKOP -- both the gate and the 'ahu are located on this privately owned parcel. The property is an important piece of pre-history and modern Hawaiian history.

Puna is also said to be the place Pele migrated to from Kahiki - when she arrived, it is said that no place in the islands was more beautiful than Puna. (Pukui, 79). "Ka makani hali 'ala o Puna" (Pukui, 1458) - the fragrance bearing wind of Puna. Puna was famed for the fragrance of maile, lehua, and hala. Puna is featured in many hula kahiko and 'oli regarding Pele and Hi'iaka.

The property is also located in the ahupua'a of Ka'ohe/Waiakahiula, which does not run to the sea. This ahupua'a is said to have served as a forest resource for several neighboring ahupua'a, and is cited as an example of traditional and customary use of a resource by non-residents of an ahupua'a in the Pele Defense Fund cases.

EDMUND C. OLSON TRUST NO. II

Hilo & Kaù Trust Properties (808) 928-0500

September 14, 2009

Department of Land Natural Resources Legacy Land Conservation Program 1151 Punchbowl Street, Rm. 325 Honolulu, HI 96813

Re: Wao Kele O Puna

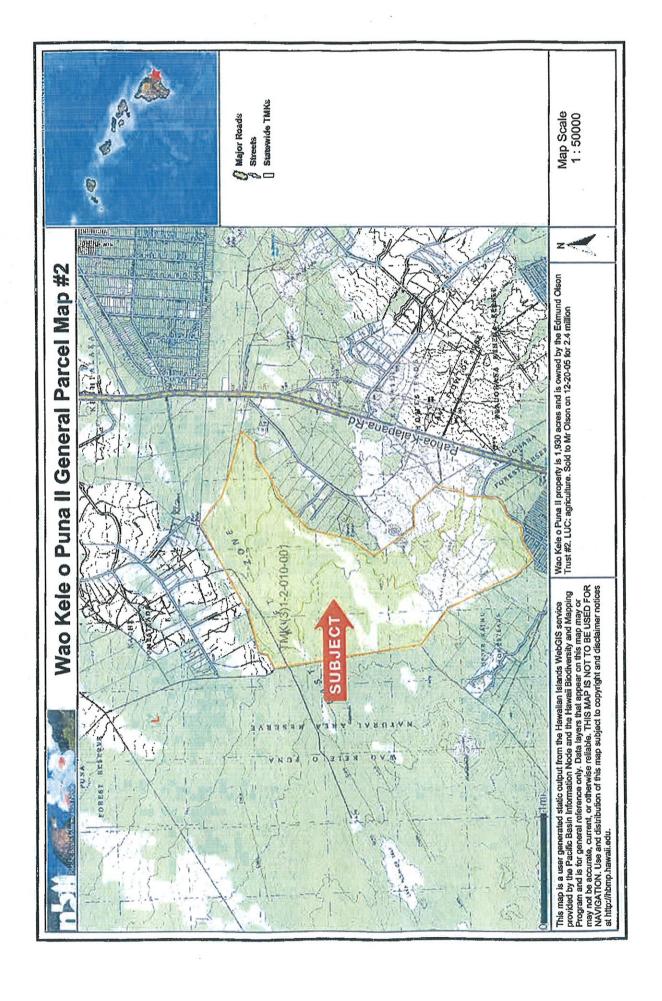
Dear Legacy Land Commission:

The Edmund C. Olson Trust No. 2 is the owner of approximately 1,930 acres of agricultural land identified as TMK: (3) 1-2-010-001, and intends to sell the property. The Trust has been discussing the possible sale of this property to the Office of Hawaiian Affairs. If a mutually agreed upon sales price can be reached, the Trust would be a willing seller of the property.

Please contact me if you have any questions.

Sincerely

Edmund C. Olson, Trustee Edmund C. Olson Trust No. 2



ENVIRONS MAP



PHOTO #1: Southerly view along Middle Road near northerly boundary of the Subject Property



PHOTO #2: Northwesterly view of the Subject Property from adjacent land near cinder cone



PHOTO #3: Southwesterly view along Upper Puna Rd. The Subject Property is to the right